

The complaint

A professional trustee firm (who I'll call F) - in their capacity as Miss W's Attorney, complain that Barclays Bank UK PLC delayed registering a Lasting Power of Attorney (LPA) on Miss W's accounts resulting in her incurring a financial loss and distress and inconvenience.

What happened

F informed Barclays in April 2020 that they had been appointed as Miss W's attorney under an LPA. F asked for the LPA to be registered on Miss W's accounts so it could act on her behalf.

The circumstances that followed aren't in dispute, so I won't repeat everything here. But in summary, there were issues registering F as Miss W's attorney and this caused delays in F accessing the funds from the account to pay Miss W's invoices. This meant funds built up in Miss W's account to the extent that she lost her entitlement to various benefits because the balances in the accounts were above the maximum threshold to receive benefit payments.

As a result, F had to spend time appealing to have Miss W's benefit entitlement reinstated and corresponding with Barclays to get the LPA registered correctly and the funds released. So, it complained to Barclays as it was seeking repayment of the costs involved so that Miss W didn't lose out due to Barclays mistakes.

Barclays upheld the complaint. It acknowledged it had made mistakes and apologised. And it offered £500 compensation for the inconvenience caused. F didn't accept Barclays' offer and referred the complaint to this service.

One of our investigators looked into the matter and upheld the complaint. They thought it was fair for Barclays to cover reasonable costs incurred by Miss W and to pay her £650 compensation in recognition of Miss W's personal circumstances and the impact on her welfare.

Barclays asked for a breakdown of F's costs so it could consider the matter further. F didn't accept the investigator's view as it didn't think further negotiations with Barclays would lead to a resolution. And it said spending more time dealing with Barclays would incur further fees and loss to Miss W. F also said that it had requested a further transfer of funds in January 2023. But, following further problems with Barclays, the funds (a lesser amount than requested) weren't released until July 2023 which incurred further costs. As a result, F is also claiming these costs back on Miss W's behalf.

As agreement wasn't reached, the complaint was passed to me to decide.

Provisional decisions

I issued my first provisional decision on this complaint on 18 December 2023.

In summary, I was minded to think that the costs claimed by F were reasonable given all the circumstances and that Barclays should cover them in full - £11,386.56 (inc. VAT). But I didn't think any further award was due as I considered Miss W had been shielded from any

distress and inconvenience as F had been dealing with her financial affairs. And I provided the cost breakdown that F had provided. Barclays responded with some additional comments for me to consider. And since then, there has been further correspondence with both parties which I will summarise below.

F had submitted three breakdowns of the costs incurred: the costs incurred dealing with the initial problems registering the LPA and first transfer of funds (sheet 4), the costs incurred dealing with a third-party to get Miss W's benefit entitlement resolved (sheet 2), and the additional costs incurred because of the second transfer that F instructed Barclays to make (sheet 1).

Barclays agreed to cover most of the costs incurred as set out in Sheet 1 and sheet 4, and some of the costs on sheet 2, as follows.

Sheet 1: £328.50 less £12.60 = £315.90
Sheet 2: £4,940.80 less £1,153.20 = £3,787.60
Sheet 4: £4,209.50 less £97.40 = £4,122.10
Total £8,225.60 plus VAT.

It also provided reasons why it didn't agree to pay all the costs incurred.

This information was provided to F and it accepted Barclays' position in respect of Sheet 1 and 4. But it didn't agree with the queries Barclays had raised on sheet 2. It provided further comments in respects of those costs. It also reiterated that the costs had only been incurred as a direct result of the mistakes Barclays had made.

F also disagreed that Miss W hadn't been caused any inconvenience. It said Miss W was on a very low income – hence, some of the benefit payments she is entitled to. And, because of this matter – the costs she has incurred, she hasn't had enough funds available to have her home redecorated and has had to take a holiday for a shorter duration than she intended.

I issued a second provisional decision – set out below, on 15 March 2024.

Agreement has now been reached in respect of the costs detailed in the cost breakdowns outlined on sheet 1 and 4. And Barclays has agreed to pay £3,787.60 from the breakdown on sheet 2. So, what's left for me to decide is whether Barclays should pay the remaining £1,153.20 and if an award for distress and inconvenience is warranted. F has provided a detailed breakdown of the costs Miss W has incurred because of this matter. It has also provided further clarification and justification for the costs that Barclays queried.

It's not the role of this service to consider – line by line, the breakdown of the costs. Rather it's to decide if the overall costs claimed are fair and reasonable. I've thought carefully about all the circumstances of this complaint including Miss W's personal circumstances and the breakdown of the costs provided - including Barclays queries and F's counter arguments.

Having done so, I consider the costs claimed by F on sheet 2 to be reasonable. And I intend to tell Barclays to pay them in full along with the other costs incurred because of Barclays errors – as set out above.

In my initial provisional decision, I said that I thought Miss W had shielded from any distress and inconvenience as F deals with her financial affairs. F has now told us that due to incurring the above costs Miss W has had less money available than she should have.

Overall, I think it would be fair and reasonable for an inconvenience award to be made. Because of Barclays' errors Miss W has lost out on various entitlements and has incurred significant costs for the time taken by her trustees to sort matters out. I'm also persuaded

that Miss W hasn't been able to do things she would have ordinarily been able to do but for Barclays' errors. So, I intend to tell Barclays to pay Miss W the £500 it originally offered in recognition of the distress and inconvenience caused to her.

F has mentioned that Miss W will have incurred further costs because of the complaint being referred to this service. But it was F's decision - on Miss W's behalf, to refer this complaint to this service (which is free to consumers), so I won't be asking Barclays to reimburse any costs incurred because of F referring the complaint to this service on her behalf.

And I said I intended to tell Barclays to pay Miss W £9,278.80 plus VAT and £500 compensation in recognition of the inconvenience caused.

Responses to my second decision

F agreed in principle to the provisional decision but pointed out that the total figure in relation to the fees was £9,378.80 not £9,278.80. It has since been confirmed to both F and Barclays that the correct figure was £9,378.80.

Barclays subsequently agreed to the provisional decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

As both parties have accepted the provisional decision including the amended figure as mentioned above. And as no further comments or evidence has been provided for me to consider, I see no reason to depart from my findings set out in my second provisional decision.

My final decision

For the reasons given above, I uphold this complaint. Barclays Bank UK PLC should now pay Miss W £9,378.80 plus VAT and £500 compensation in recognition of the inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 18 April 2024.

Sandra Greene
Ombudsman